



## Senate

General Assembly

**File No. 580**

*January Session, 2007*

Substitute Senate Bill No. 1333

*Senate, April 25, 2007*

The Committee on Planning and Development reported through SEN. COLEMAN of the 2nd Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

### ***AN ACT CONCERNING ENVIRONMENTALLY FRIENDLY DEVELOPMENT.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1       Section 1. (NEW) (*Effective July 1, 2007*) If any person builds or  
2       substantially renovates a commercial or mixed-use building and such  
3       building meets construction standards that are consistent with or  
4       exceed the silver building rating of the Leadership in Energy and  
5       Environmental Design's rating system for new commercial or mixed-  
6       use construction and major commercial or mixed-use renovation  
7       projects, as established by the United States Green Building Council or  
8       an equivalent standard including, but not limited to, a two-globe  
9       rating in the Green Globes USA design program, such person may  
10      apply to the Secretary of the Office of Policy and Management for a  
11      grant equal to the amount of municipal real estate property taxes paid  
12      for such building for the first year after a certificate of occupancy is  
13      issued for the building. Upon receipt of such application and any  
14      supporting materials required by the secretary, the secretary shall

15 disburse such amount to the applicant. A grant made pursuant to this  
16 section by the Secretary of the Office of Policy and Management may  
17 not exceed two hundred fifty thousand dollars.

This act shall take effect as follows and shall amend the following sections:		
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Section 1	<i>July 1, 2007</i>	New section
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**PD**      *Joint Favorable Subst.*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either chamber thereof for any purpose:

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### **OFA Fiscal Note**

#### **State Impact:**

Agency Affected	Fund-Effect	FY 08 \$	FY 09 \$
Policy & Mgmt., Off.	GF - Cost	Significant	Significant

Note: GF=General Fund

**Municipal Impact:** None

#### **Explanation**

The bill requires the Office of Policy and Management to provide a one-time grant of up to \$250,000 for property tax costs to those who build or substantially renovate a commercial or mixed use building, up to certain environmental standards. It is anticipated that this will result in significant costs, which will be in the millions of dollars, the magnitude of these costs are contingent on the volume of buildings which are built or substantially renovated that meet the environment standards. There are no funds in sHB 7077, the budget bill favorably reported by the Appropriations Committee, for these costs.

#### **The Out Years**

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

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**OLR Bill Analysis****sSB 1333*****AN ACT CONCERNING ENVIRONMENTALLY FRIENDLY DEVELOPMENT.*****SUMMARY:**

This bill requires the Office of Policy and Management (OPM) secretary to award grants of up to \$250,000 to people who build or substantially renovate commercial or mixed-use buildings to certain environmental standards.

To be eligible, the building must meet or exceed (1) the silver building rating of the United States Green Building Council's Leadership in Energy and Environmental Design (LEED) rating system for new commercial or mixed-use construction and major renovation projects, (2) the two-globe rating of the Green Globes USA design program, or (3) an equivalent standard.

Anyone seeking a grant may apply to the OPM secretary for an amount equal to the municipal real estate property taxes paid on the building in the first year after it receives a certificate of occupancy. The secretary must disburse the grant upon receipt of the application and any supporting material he requires.

EFFECTIVE DATE: July 1, 2007

**BACKGROUND*****LEED Rating System***

The LEED rating system rates commercial and institutional projects according to their performance in the areas of sustainable site development, water savings, energy efficiency, material selection, and indoor environmental quality.

**Green Globes USA**

Green Globes generates an on-line report using a confidential questionnaire to help property owners measure a building's environmental performance in such areas as energy, water, hazardous material, waste management, and indoor environment.

**Legislative History**

The Senate referred the bill (File 153) to the Planning and Development Committee, which reported the substitute eliminating a requirement that the construction or renovation occur in a town with a population of 50,000 or more.

**COMMITTEE ACTION**

Environment Committee

Joint Favorable Substitute

Yea 31 Nay 0 (03/09/2007)

Planning and Development Committee

Joint Favorable Substitute

Yea 20 Nay 0 (04/11/2007)